



Single-Use Plastic Bag Fee to Sunset on June 30, 2021

Purpose: As a result of the ban on single-use plastic bags that will take effect on July 1, 2021, the single-use plastic bag fee will sunset as of June 30, 2021. This bulletin is intended to provide retailers and taxpayers with details regarding the sunset of the single-use plastic bag fee.

Background: The General Assembly enacted a plastic bag fee that went into effect on August 1, 2019. See Conn. Gen. Stat. § 22a-246a (2019 Conn. Pub. Acts 117, § 355). The fee applies to *single-use checkout bags*, which are defined as bags with a thickness of less than four (4.0) mils that are provided by a store to a customer at the point of sale. The fee applies statewide at a rate of \$0.10 per plastic bag and is required to be collected by retailers making sales in Connecticut of tangible personal property to the public.

In the same legislation that enacted the plastic bag fee, the General Assembly also banned the use of such bags. To this end, and as explained in this bulletin, single-use plastic bags are scheduled to be banned in the State of Connecticut as of July 1, 2021. As the General Assembly has not delayed or otherwise extended the scheduled ban, retailers that are collecting the fee are no longer required to collect the fee as of July 1, 2021.

Filing and Remittance Obligations Associated with the Sunset of the Plastic Bag Fee: As explained in this bulletin, the plastic bag fee will sunset as of June 30, 2021. As a result, retailers will no longer have to collect said fee as of July 1, 2021. That said, retailers must report and remit the fees that are collected through June 30, 2021.

Retailers must report the plastic bag fee on Line 11a of **Form OS-114, Connecticut Sales and Use Tax Return**. Depending on whether the retailer is a monthly, quarterly, or annual filer will dictate the due date on which said retailers must report and remit any fees that are collected through June 30, 2021.

- **Monthly filer:** If a retailer is a monthly filer, the fees it collects for the month ending June 30, 2021 will be reported on its Form OS-114 for said period. The monthly sales tax return for the month covering June 30, 2021 is due to be filed and all associated taxes and fees remitted by July 31, 2021.
 - **Quarterly filer:** If a retailer is a quarterly filer, the fees it collects for the quarter ending June 30, 2021 will be reported on its Form OS-114 for said period. The quarterly sales tax return for the quarter ending June 30, 2021 is due to be filed and all associated taxes and fees remitted by July 31, 2021.
 - **Annual filer:** If a retailer is an annual filer, the fees it collects through June 30, 2021 will be reported on its Form OS-114 for the period ending December 31, 2021. The annual sales tax return for the period ending December 31, 2021 is due to be filed and all associated taxes and fees remitted by January 31, 2022.
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Procedure for Obtaining a Refund of the Plastic Bag Fee Paid or Collected After June 30, 2021: Any retailer that improperly collects or any customer who mistakenly pays the plastic bag fee after June 30, 2021 would be eligible to seek a refund from the DRS. Any such retailers or taxpayers must follow the procedures for seeking a sales tax refund that are set forth in **Policy Statement 98(5), Sales and Use Tax Refund Policy**. Policy Statement 98(5) is available on the DRS website at portal.ct.gov/DRS.

Charges for Paper Bags or Reusable Bags: As explained in this notice, the State of Connecticut has banned *single-use checkout bags*, which are defined as bags with a thickness of less than four (4.0) mils that are provided by a store to a customer at the point of sale. As such, stores may continue to use other bags, such as paper bags or reusable bags. It is important to note that if a store sells a paper bag or a reusable bag, such sales are taxable. Therefore, if a store sells a paper bag or a reusable bag, the store must collect and remit sales tax on these sales.

Additional Information Regarding the Plastic Bag Fee: DRS issued a publication that addresses numerous questions regarding the plastic bag fee. This publication was continually updated to reflect new information regarding the fee. Therefore, to the extent that there are questions about the fee, retailers and taxpayers are encouraged to review **OCG-9**, *Office of the Commissioner Guidance Regarding the Single-Use Plastic Bag Fee*, which is available on the DRS website at portal.ct.gov/DRS.

Effect on Other Documents: **OCG-9**, *Office of the Commissioner Guidance Regarding the Single-Use Plastic Bag Fee*, is amplified.

For Further Information: Visit the DRS website at portal.ct.gov/DRS.

Call DRS Monday through Friday, 8:30 a.m. to 4:30 p.m. at:

- **800-382-9463** (Connecticut calls outside the Greater Hartford calling area only); **or**
- **860-297-5962** (from anywhere).

TTY, TDD, and Text Telephone users **only** may transmit inquiries anytime by calling 860-297-4911. Taxpayers may also call 711 for relay services. A taxpayer must tell the 711 operator the number he or she wishes to call. The relay operator will dial it and then communicate using a TTY with the taxpayer.

E-Services Update

A new modernized system, **myconneCT**, will replace the *TSC* (Taxpayer Service Center) as part of a multi-year, multi-phase project. Many tax types are already able to be filed using **myconneCT** and more will be added each year. Use **myconneCT** to file taxes, make payments, view filing history, and communicate with the agency simply and more efficiently on virtually any mobile device, including laptops, tablets, and smartphones, 24 hours a day, 7 days a week. For updated information on the progress of this project and the transition schedule for specific taxes, please visit the DRS website at portal.ct.gov/DRS-myconneCT.

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